AMENDMENT REMARKS

Reconsideration and allowance of this application are respectfully requested. Currently, claims 2-5, 7-26, 28-31 and 33-61 are pending in this application.

Request For Fully Initialed Form PTO-1449

A partially initialed form PTO-1449 was returned as an attachment to the office action. However, U.S. Patent No. 5,883,810 cited on the form PTO-1449 was not initialed as being considered. Applicant therefore respectfully requests that the citation of this reference on the form PTO-1449 be initialed as indication that this reference has been considered, and that the fully initialed form be returned to the undersigned. For the Examiner's convenience, Applicant has attached hereto a copy of the partially initialed form PTO-1449.

Rejection Under 35 U.S.C. §101

Claims 1-26 were rejected under 35 U.S.C. §101 as allegedly being directed to non-statutory subject matter. Applicant respectfully traverses this rejection.

The office action holds that "For a claim to be statutory under 35 USC §101, the following two submissions must be met:

1) In the claim, the practical application of an algorithm or idea results in a useful, concrete, tangible result,

AND

2) The claim provides a limitation in the technological arts that enables a useful, concrete, tangible result....If the invention in the body of the claim is not tied to a technological art, environment, or machine, the claim is not statutory. *Ex parte Bowman* 61 USPQ2d 1665, 1671 (BD. Pat. App. & Inter. 2001) (Unpublished)."

There is no "technological arts" test for determining statutory subject matter under 35 U.S.C. §101 and thus the above rejection is deficient on its face. Indeed, in the *Ex parte Carl A.*

1175144

Lundgren (Appeal No. 2003-2088 in Appln. No. 09/093,516) precedential opinion , the USPTO

Board of Patent Appeals and Interferences made specific reference to the *In re Musgrave, In re*

Toma, and Ex Parte Bowman cases (specifically identified and relied upon by the outstanding

office action), and held "We have reviewed these three cases and do not find that they support

the Examiner's separate 'technological arts' test." (See page 6 of the *Ex Parte Carl A. Lundgren*

decision).

Claims 1-26 are clearly directed to a practical application. For example, claim 1 requires,

inter alia, "facilitating payment to the merchant without disclosing the confidential agreement

information of the customer to the merchant...." Claims 17 and 24 require "paying the merchant

...." Claims 1-26 therefore produce a useful, tangible and concrete result.

Accordingly, Applicant respectfully requests that the rejection of claims 1-26 under 35

U.S.C. §101 be withdrawn.

Rejection Under 35 U.S.C. §103

Claims 1-61 were rejected under 35 U.S.C. §103 as allegedly being unpatentable over

Kolling et al. (US '847, hereinafter "Kolling"). Applicant respectfully traverses this rejection.

In order to establish a *prima facie* case of obviousness, all of the claim limitations must

be taught or suggested by the prior art, and there must be some suggestion or motivation, either

in the references themselves or in the knowledge generally available to one of ordinary skill in

the art to modify the reference or to combine reference teachings.

The office action admits that "Kolling does not specifically teach the use of signatures."

However, the office action then makes a general allegation that "[I]t would have been obvious to

include whatever actual signatures that are required by bank regulation or law or of practical

necessity (emphasis added)." This "obvious to try rationale" has been rejected. As described in

MPEP §2145, "The admonition that 'obvious to try' is not the standard under §103 has been

1175144

directed mainly at two kinds errors. In some cases, what would have been 'obvious to try' would have been to vary all parameters or try each of numerous possible choices until one possibly arrived at a successful result, where the prior art gave no indication of which parameters were critical or no direction as to which of the many possible choices is likely to be successful."

The office action's reference to "include <u>whatever</u> actual signatures that are required by bank regulation or law or of possible necessity" ignores the specific limitations required by the claims and the benefits resulting therefrom. One of ordinary skill is thus left to try each of numerous possible choices for a signature until one possibly arrived at a successful result. For example, not only does Kolling fail to teach the use of signatures (as admitted by the office action), there is no motivation in Kolling to modify its teachings to arrive at a merchant signature and thus no teaching of "receiving from the merchant the payment authentication information with a merchant signature; [and] verifying the merchant signature and the payment authentication information," as required by independent claim 17 and its dependents. Independent claim 43 and independent claims 53 and 56 also specifically require a merchant signature.

Kolling merely discloses signatures in the context of signed checks. Column 6, line 63 to column 7, line 3 of Kolling discloses "… to verify (arrow 3) that C is indeed a customer of B and/or that Biller B is a valid biller and/or to confirm/elicit accurate payment routing information." However, this step is part of the enrollment process, and is not involved with a specific payment. While authorization is discussed in many instances of Kolling, none of them involve the use of any form of signature of a biller. The authorizations discussed in Kolling primarily refer to authorization from the consumer to the consumer's bank.

Moreover, while Kolling makes numerous references to validity, none of them involve validating a signature from a biller. Instead, they primarily refer to validating identification numbers (BRN/PRN) against lists of valid or invalid numbers.

Independent claims 24 and 50 require "receiving an instruction from the customer to pay the merchant with a merchant signature," and "verifying the merchant signature; and, paying the merchant based on the confidential information, if the merchant signature is verified." As acknowledged by the office action, Kolling fails to teach the use of signatures. For the reasons discussed above, Applicant submits that it would not have been obvious from the teachings of Kolling to provide the explicitly required limitations. Kolling's general allegation to include "whatever actual signatures" is clearly based on an improper obvious-to-try rationale. Claims 24 and 50 specifically require use of a merchant signature, verification of that merchant signature and payment upon verification.

Dependent claim 25 requires "generating payment authentication information based on the confidential payment information and transaction information; and transmitting the payment authentication with a third-party signature to the merchant." Kolling fails to teach or suggest these limitations. Column 36, lines 52-56 of Kolling states "At step 1806 the service provider sends the authorization transaction to an authentication system such as Visa Integrated Processing (VIP). The authentication system adds a unique identifier to the transaction and timestamps and dates the transaction." While this portion of Kolling discusses authentication, the format of the unique identifier is not disclosed, nor are the contents of the authorization transaction. Accordingly, even if the unique identifier disclosed by Kolling were interpreted to teach or suggest payment authentication information, there is insufficient information as to how to produce it.

Independent claim 4 requires "wherein the trusted party component is a computer program signed by a trusted third party, spawned by a first computer of the merchant, and executed on a second computer of the customer." Similar comments apply to independent claim 30. Independent claim 5 requires "wherein the trusted party component is a computer program signed by a trusted third party, installed in a first computer of the customer, and invoked by a second computer of the merchant." Independent claim 31 requires similar limitations. Independent claim 7 requires "wherein the trusted party component is a computer program spawn by or downloaded from a first computer of a trusted third party and executed on a second computer of the customer." Independent claim 33 requires similar limitations. Kolling fails to teach or suggest any of the trusted party components required by any of these claims.

Accordingly, Applicant respectfully requests that the rejection of claims 1-61 under 35 U.S.C. §103 be withdrawn.
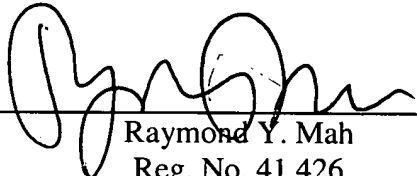
Conclusion

Applicant believe that this entire application is in condition for allowance and respectfully requests a notice to this effect. If the Examiner has any questions or believes that an interview would further prosecution of this application, the Examiner is invited to telephone the undersigned.

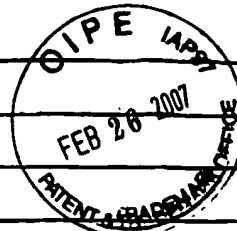Respectfully submitted,

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1175144

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Examiner Initial*	Document Number	Issue Date	Name	Class	Sub Class	Filing Date If Appropriate
	5,883,810	03/16/99	Franklin, et al.			

Examiner Initial*	Document Number	Publication Date	Country	Class	Sub Class	Translation Yes or No
[initials]	GB 2 333 878 A	06/04/99	United Kingdom			
	WO 95/16971	06/22/95	PCT			
	WO 97/12344	04/03/97	PCT			
[initials]	WO 99/07121	02/11/99	PCT			

OTHER DOCUMENTS (Including Author, Title, Date, Pertinent Pages, etc.)	
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Examiner	[signature]	Date Considered	12/10/04

*Examiner: Initial if reference considered, whether or not citation is in conformance with MPEP 609; draw line through citation if not in conformance and not considered. Include copy of this form with next communication to applicant.

Form PTO 1449	Patent and Trademark Office - U.S. Department of Commerce